GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1602
ANSWERED ON:26.07.2016
Price Regulation of Fertilizers
Chavan Shri Ashok Shankarrao;Gaikwad Dr. Sunil Baliram;Gupta Shri Sudheer;Kirtikar Shri Gajanan Chandrakant;Mahato Shri Bidyut Baran;Patle Smt. Kamla Devi;Radhakrishnan Shri T.;S.R. Shri Vijay Kumar

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the fertilizers" manufacturing companies are complying with the norms fixed by the Government with regard to fixation of prices of fertilizers in the country;

(b) if not, the details thereof and the steps taken/being taken by the Government to ensure that the prices of fertilizers are not fixed arbitrarily by the fertilizer companies;

(c) whether the Government has paid huge arrears on account of fertilizer subsidy to the State run companies and if so, the details thereof and if not the reasons therefor, company-wise; and

(d) the time by which the arrears are likely to be paid, company-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAYS

(SHRI MANSUKH L. MANDAVIYA)

(a) & (b): Under Nutrient Based Subsidy Scheme, a fixed amount of subsidy is provided on each grade of Phosphatic and Potassic fertilizers based on its nutrient content. The fertilizer companies are allowed to fix Maximum Retail Price at reasonable level based on the market dynamics. However, Government keeps a check on the reasonableness of MRP fixed by the fertilizer companies by seeking cost data of each fertilizer grade from them. In case of Urea, the price is statutorily fixed by the Government.

(c) & (d): The details of carried over subsidies of State run companies as on 31.03.2016 and paid till date are placed at Annexure − I.

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